INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
We make Indiana a cleaner, healthier place to live.

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Governor

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March 13, 2003

Mr. Wayne Fulghum
Meridian Automotive Systems, Inc.
14123 Roth Road
Grabill, Indiana 46741-0189

Re: **003-16861**
First Significant Permit Modification to
Part 70 No.: T 003-5942-00059

Dear Mr. Fulghum.:

Meridian Automotive Systems, Inc. was issued Part 70 Operating Permit **T 003-5942-00059** on March 26, 2002 for a high pressure reinforced plastics manufacturing and painting source. A letter requesting changes to this permit was received on November 4, 2002. Pursuant to the provisions of 326 IAC 2-7-12 a significant permit modification to this permit is hereby approved as described in the attached Technical Support Document.

The modification consists of the reconstruction and relocation of two (2) SMC manufacturing lines, identified as Machine 1 and Machine 2, with a capacity of 12,000 pounds of SMC per hour, each.

The changes in the Part 70 Operating Permit are documented in the Technical Support Document. All other conditions of the permit shall remain unchanged and in effect. For your convenience, the entire Title V Operating Permit, with all modifications and/or amendments made to it, is being provided.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact Craig J. Friederich, c/o OAQ, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015, at 631-691-3395 ext.19 or in Indiana at 1-800-451-6027 (ext 631-691-3395).

Sincerely,

Original signed by Paul Dubenetzky
Paul Dubenetzky, Chief
Permits Branch
Office of Air Quality

Attachments
CJF/MES
cc: File - Allen County
U.S. EPA, Region V
Allen County Health Department
Air Compliance Section Inspector - Jennifer Dorn
Compliance Branch - Karen Nowak
Administrative and Development - Lisa Lawrence
Technical Support and Modeling - Michelle Boner

PART 70 OPERATING PERMIT
OFFICE OF AIR QUALITY

Meridian Automotive Systems, Inc.
14123 Roth Road
Grabill, Indiana 46741-0189

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: T 003-5942-00059	
Issued by: Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: Expiration Date:

First Significant Source Modification 003-16292, pending

First Significant Permit Modification No.: 003-16861-00059	Pages Affected: Table of Contents, 6, 28 - 34, 50, 51
Issued by: Original signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date:March 13, 2003

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SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in conditions A.1 through A.4 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)] [326 IAC 2-7-1(22)]

The Permittee owns and operates a stationary high-pressure fiberglass-reinforced plastics manufacturing and painting source.

Responsible Official:	Jim Gregory
Source Address:	14123 Roth Road, Grabill, Indiana 46741
Mailing Address:	14123 Roth Road, Grabill, Indiana 46741
General Source Phone Number:	219-627-3612
SIC Code:	3089
County Location:	Allen
Source Location Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Permit Program Minor Source under PSD Rules; Major Source, Section 112 of the Clean Air Act

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

This stationary source consists of the following emission units and pollution control devices:

Painting Operations

(a) One (1) prime spray booth, known as SB-A, equipped with HVLP spray applicators and dry filters for overspray control, installed in September 1993, exhausted through stack G, capacity: 5 gallons of paint per hour.

(b) One (1) spray booth, known as SB-B, equipped with air atomization spray guns and dry filters for overspray control, installed in June 1973, exhausted through stacks I , J, and K, capacity: 10 gallons of paint per hour.

(c) One (1) spray booth, known as SB-C24, equipped with electrostatic spray guns and dry filters for overspray control, installed in 1982, exhausted through stacks D and E, capacity: 3 gallons of paint per hour.

(d) One (1) spray booth, known as SB-C32, equipped with electrostatic spray guns and dry filters for overspray control, installed in 1982, exhausted through stacks B and C, capacity: 4 gallons of paint per hour.

(e) One (1) prime touch up, known as TU-A, equipped with air atomization spray guns and dry filters for overspray control, installed prior to 1980, exhausted through stack H, maximum capacity: 0.25 gallons of paint per hour.

(f) One (1) prime touch up, known as TU-B, equipped with air atomization spray guns and dry filters for overspray control, installed prior to 1980, exhausted through stack L, maximum capacity: 0.25 gallons of paint per hour.

(g) One (1) touch up, known as TU-FNSH, equipped with air atomization spray guns and dry filters for overspray control, installed prior to 1980, exhausted through stack P, capacity: 1 gallon of paint per hour.

Compounding and Reinforced Molding Operations

(h) Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, with a capacity of 12,000 pounds of SMC per hour, each, consisting of:

(1) sixteen (16) resin storage tanks, with storage capacities between 2,000 and 6,300 gallons, each,

(2) one (1) small add material handling area,

(3) one (1) SMC mix room, consisting of four (4) mixing tanks, seven (7) holding tanks, and six (6) dynamic mixers,

(4) two (2) SMC machines,

(5) one (1) SMC maturation area, and

(6) one (1) dust collection system, exhausted to Stack SV-01.

(i) One (1) Hannifan 200 ton reinforced plastic molding press, known as PR-0206, installed in 1975, capacity: 141 pounds of fiberglass reinforced plastic parts per hour.

(j) One (1) Hannifan 200 ton reinforced plastic molding press, known as PR-0213, installed in 1976, capacity: 141 pounds of fiberglass reinforced plastic parts per hour.

(k) One (1) Erie 400 ton reinforced plastic molding press, known as PR-0419, installed in 1969 and rebuilt in 1986, capacity: 219 pounds of fiberglass reinforced plastic parts per hour.

(l) One (1) Erie 400 ton reinforced plastic molding press, known as PR-0420, installed in 1969 and rebuilt in 1986, capacity: 219 pounds of fiberglass reinforced plastic parts per hour.

(m) One (1) Drake 600 ton reinforced plastic molding press, known as PR-0617, installed in 1968, capacity: 219 pounds of fiberglass reinforced plastic parts per hour.

(n) One (1) Erie 600 ton reinforced plastic molding press, known as PR-0618, installed in 1968 and rebuilt in 1986, capacity: 219 ounds of fiberglass reinforced plastic parts per hour.

(o) One (1) W-W-M 1200 ton vacuum assisted reinforced plastic molding press, known as PRV-1222, installed in 1973, capacity: 338 pounds of fiberglass reinforced plastic parts per hour.

(p) One (1) W-W-M 1200 ton vacuum assisted reinforced plastic molding press, known as PRV-1223, installed in 1973, capacity: 338 pounds of fiberglass reinforced plastic parts per hour.

(q) One (1) W-W-M 1200 ton reinforced plastic molding press, known as PRV-1250, installed in 1978 and rebuilt in 1985, capacity: 338 pounds of fiberglass reinforced plastic parts per hour.

(r) One (1) Erie 1500 ton vacuum assisted reinforced plastic molding press, known as PRV-1558, installed in 1977, capacity: 263 pounds of fiberglass reinforced plastic parts per hour.

(s) One (1) W-W-M 2000 ton vacuum assisted reinforced plastic molding press, known as PRV-2024, installed in 1975, capacity: 263 pounds of fiberglass reinforced plastic parts per hour.

(t) One (1) W-W-M 2000 ton vacuum assisted reinforced plastic molding press, known as PRV-2025, installed in 1975, capacity: 263 pounds of fiberglass reinforced plastic parts per hour.

(u) One (1) W-W-M 2000 ton vacuum assisted reinforced plastic molding press, known as PRV-2059, installed in 1984, capacity: 263 pounds of fiberglass reinforced plastic parts per hour.

(v) One (1) 2500 ton reinforced plastic molding press, known as PR-2566, installed in 2000, capacity: 435 pounds of fiberglass reinforced plastic parts per hour. This press was previously known as PRV-2572.

(w) One (1) 2500 ton reinforced plastic molding press, known as PR-2567, installed in 2000, capacity: 435 pounds of fiberglass reinforced plastic parts per hour. This press was previously known as PRV-2573.

(x) One (1) W-W-M 4400 ton vacuum assisted reinforced plastic molding press, known as PRV-4470, installed in 1995, capacity: 263 pounds of fiberglass reinforced plastic parts per hour.

(y) One (1) boiler, known as BLR-B, firing natural gas as primary fuel and propane or diesel fuel as backup, installed in 1974, rated at 8.4 million British thermal units per hour.

(z) One (1) boiler, known as BLR-A, firing natural gas as primary fuel and propane or diesel fuel as backup, installed in 2000, exhausted through stack M, rated at: 16.7 million British thermal units per hour.

(aa) One (1) French 600 ton vacuum assisted reinforced plastic molding press, known as PRV-0648, installed in 1978 and rebuilt in 1990, capacity: 219 pounds of fiberglass reinforced plastic parts per hour.

(bb) One (1) French 800 ton vacuum assisted reinforced plastic molding press, known as PR-0849, installed in 1978 and rebuilt in 1990, capacity: 188 pounds of fiberglass reinforced plastic parts per hour.

(cc) One (1) EEMCO 1,000 ton vacuum assisted reinforced plastic molding press, known as PRV-1026, installed in 1977 and rebuilt in 1990, capacity: 275 pounds of fiberglass reinforced plastic parts per hour.

(dd) One (1) HPM Corporation Injection Molding Press, known as PR-1571, installed in 1998, capacity: 188 pounds of fiberglass reinforced plastic parts per hour.

(ee) One (1) fiberglass reinforced composites touch up spray booth, known as TU-SPLASH, equipped with air atomization spray guns and dry filters for overspray control, exhausted through stack R, maximum capacity: 0.336 gallons of paint per hour.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: Painting and Compounding Operations

(a) One (1) prime spray booth, known as SB-A, equipped with HVLP spray applicators and dry filters for overspray control, installed in September 1993, exhausted through stack G, capacity: 5 gallons of paint per hour.

(b) One (1) spray booth, known as SB-B, equipped with air atomization spray guns and dry filters for overspray control, installed in June 1973, exhausted through stacks I , J, and K, capacity: 10 gallons of paint per hour.

(c) One (1) spray booth, known as SB-C24, equipped with electrostatic spray guns and dry filters for overspray control, installed in 1982, exhausted through stacks D and E, capacity: 3 gallons of paint per hour.

(d) One (1) spray booth, known as SB-C32, equipped with electrostatic spray guns and dry filters for overspray control, installed in 1982, exhausted through stacks B and C, capacity: 4 gallons of paint per hour.

(e) One (1) prime touch up, known as TU-A, equipped with air atomization spray guns and dry filters for overspray control, installed prior to 1980, exhausted through stack H, maximum capacity: 0.25 gallons of paint per hour.

(f) One (1) prime touch up, known as TU-B, equipped with air atomization spray guns and dry filters for overspray control, installed prior to 1980, exhausted through stack L, maximum capacity: 0.25 gallons of paint per hour.

(g) One (1) touch up, known as TU-FNSH, equipped with air atomization spray guns and dry filters for overspray control, installed prior to 1980, exhausted through stack P, capacity: 1 gallon of paint per hour.

(h) Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, with a capacity of 12,000 pounds of SMC per hour, each, consisting of:

(1) sixteen (16) resin storage tanks, with storage capacities between 2,000 and 6,300 gallons, each,

(2) one (1) small add material handling area,

(3) one (1) SMC mix room, consisting of four (4) mixing tanks, seven (7) holding tanks, and six (6) dynamic mixers,

(4) two (2) SMC machines,

(5) one (1) SMC maturation area, and

(6) one (1) dust collection system, exhausted to Stack SV-01.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.1.1 Volatile Organic Compounds [326 IAC 8-1-6]

(a) Pursuant to CP 003-3105-00059, issued on September 7, 1993, Best Available Control Technology (BACT) for the one (1) prime spray booth, identified as SB-A, has been determined to be:

(1) The method of application shall be performed with high-volume-low pressure (HVLP) spray applicators;

(2) The use of lower VOC paints (less than 3.5 lb VOC per gallon of coating excluding water).

(b) Pursuant to 326 IAC 8-1-6, Best Available Control Technology (BACT) for the two (2) spray booths, identified as SB-C24 and SB-C32, has been determined to be:

(1) The VOC input delivered to the applicators including cleanup solvents shall be limited to a total of no more than sixty-six (66) tons per twelve (12) consecutive month period;

(2) The method of application at the spray booths shall be done with electrostatic applicators;

(3) The use of low (25-40%) and medium (41-50%) solids content coatings, and

(4) The following management and work practices shall apply:

(i) Operator training course.

(ii) Spray gun cleaning.

(iii) The cleanup solvent containers used to transport solvent from drums to work stations be closed containers having soft gasketed closures.

(iv) The application equipment operators shall be instructed and trained on the methods and practices utilized to minimize spillage on the floor and over application.

(v) Storage containers used to store VOC and/or HAPs containing materials shall be kept covered when not in use.

(vi) Cleanup solvents will be reused in the process as much as possible to reduce hazardous waste and the related impact on the environment. D.1.2 PSD Minor Limit [326 IAC 2-2] [40 CFR 52.21]

D.1.2 PSD Minor Limit [326 IAC 2-2] [40 CFR 52.21]

(a) The VOC applied to the applicators from the four (4) spray booths (SB-A, SB-B, SB-C24 and SB-C32), the four (4) touch-up booths (TU-A, TU-B ,TU-FNSH and TU-SPLASH), the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, the eighteen (18) Reinforced Plastic Molding Presses, installed between 1968 and 1998 (PR-0206, PR-0213, PR-0419, PR-0420, PR-0617, PR-0618, PRV-0648, PRV-0849, PRV-1026, PRV-1222, PRV -1223, PR-1250, PRV-1558, PRV-2024, PRV-2025, PRV-2059, PRV-4470, PR-1571), and the two (2) 2500 ton Reinforced Plastic Molding Presses, constructed in 2000 (PR-2566 and PR-2567) shall be limited such that the total VOC emissions are no more than 246.1

tons per twelve (12) consecutive month period.

The SMC closed molding operations performed by the eighteen (18) Reinforced Plastic Molding Presses shall use the standard US EPA AP-42 three percent (3.0%) VOC emission factor to determine compliance with the VOC emission limit.

(b) The VOC emission limit expressed in Condition D.1.2 (a) combined with the full potential to emit VOC from the two (2) boilers and the limited actual emissions not to exceed 3.23 tons per year from other insignificant activities shall limit the total source-wide VOC emissions to less than two hundred and fifty (250) tons per twelve (12) consecutive month period. Compliance with this limit makes the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration (PSD)) and 40 CFR 52.21 not applicable.

D.1.3 Hazardous Air Pollutants [326 IAC 2-4.1-1]

(a) The input of SMC to the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, shall be limited such that the worst case potential to emit a single HAP (styrene) is less than ten (10) tons per twelve (12) consecutive month period, each, with compliance determined at the end of each month, to make the requirements of 326 IAC 2-4.1-1 not applicable.

(b) For the purposes of determining the throughput limit, the following HAP emission factors will be used for the processes located at the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2:

(1) Resin Storage Tanks: 0.059 lbs/ton of SMC produced.

(2) Mixing Station: 0.19 lbs/ton of SMC produced.

(3) SMC Machine: 0.30 lbs/ton of SMC produced.

(4) SMC Holding Area: 0.0018 lbs/ton SMC produced.

D.1.4 Volatile Organic Compounds [326 IAC 8-1-6]

(a) The input of SMC to the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, shall be limited such that the potential to emit VOC is less than twenty-five (25) tons per twelve (12) consecutive month period, each, with compliance determined at the end of each month, to make the requirements of 326 IAC 8-1-6 not applicable.

(b) For the purposes of determining the throughput limit, the following VOC emission factors will be used for the processes located at the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2:

(1) Resin Storage Tanks: 0.059 lbs/ton of SMC produced.

(2) Mixing Station: 0.19 lbs/ton of SMC produced.

(3) SMC Machine: 0.30 lbs/ton of SMC produced.

(4) SMC Holding Area: 0.0018 lbs/ton SMC produced.

D.1.5 Particulate Matter (PM) [326 IAC 6-3-2]

(a) The PM from each spray booth (the one (1) prime spray booth, known as SB-A, the one (1) spray booth, known as SB-B, the one (1) spray booth, known as SB-C24, the one (1) spray

booth, known as SB-C32, the one (1) prime touch up, known as TU-A, the one (1) prime touch up, known as TU-B, and the one (1) touch up, known as TU-FNSH) shall not exceed the pound per hour emission rate established as E in the following formula:

Interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

(b) Pursuant to 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes), the allowable particulate (PM) emission rate from two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, shall not exceed 21.7 pounds per hour when operating at a total process weight rate of 24,000 pounds per hour.

The pounds per hour limitation was calculated with the following equation:

Interpolation and extrapolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

D.1.6 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities and any control devices.

Compliance Determination Requirements

D.1.7 Volatile Organic Compounds (VOC) and Hazardous Air Pollutants (HAPs)

Compliance with the VOC and HAP content and usage limitations contained in Conditions D.1.1, D.1.2, D.1.3, and D.1.4 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) using formulation data supplied by the coating manufacturer for the painting operations, and the SMC usage and emission factors for the SMC operations and the SMC manufacturing lines.

D.1.8 VOC and HAPs Emissions

Compliance with Conditions D.1.1, D.1.2, D.1.3, and D.1.4 shall be demonstrated within 30 days of the end of each month based on the total volatile organic compound usage for the twelve (12) month period.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.1.9 Particulate Matter (PM)

(a) The dry filters for PM control shall be in operation at all times when the four (4) spray booths (SB-A, SB-B, SB-C24 and SB-C32) and three (3) touch up booths (TU-A, TU-B and TU-FNSH) are in operation.

(b) The dust collection system for PM control shall be in operation at all times when the two (2) SMC manufacturing lines are in operation.

D.1.10 Monitoring

(a) Daily inspections shall be performed to verify the placement, integrity and particle loading of the filters. To monitor the performance of the dry filters, weekly observations shall be made of the overspray from the surface coating booth stacks B, C, D, E, G, H, I, J, K, L, and

P while one or more of the booths are in operation. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(b) Monthly inspections shall be performed of the coating emissions from the stack and the presence of overspray on the rooftops and the nearby ground. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when a noticeable change in overspray emission, or evidence of overspray emission is observed. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(c) Additional inspections and preventive measures shall be performed as prescribed in the Preventive Maintenance Plan.

D.1.11 Visible Emissions Notations

(a) Visible emission notations of the two (2) SMC manufacturing lines stack exhaust shall be performed once per shift during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

D.1.12 Parametric Monitoring

The Permittee shall record the total static pressure drop across the dust collector used in conjunction with the two (2) SMC manufacturing lines, at least once per shift when the two (2) SMC manufacturing lines are in operation when venting to the atmosphere. When for any one reading, the pressure drop across the dust collector is outside the normal range of 8.0 and 12.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Compliance Response Plan - Preparation, Implementation, Records, and Reports. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

The instrument used for determining the pressure shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

D.1.13 Baghouse Inspections

An inspection shall be performed within the last month of each calendar quarter of all bags controlling the two (2) SMC manufacturing lines. All defective bags shall be replaced.

D.1.14 Broken or Failed Bag Detection

In the event that bag failure has been observed:

(a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if there are no visible emissions or if the event qualifies as an emergency and the Permittee satisfies the emergency provisions of this permit (Section B- Emergency Provisions). Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(b) For single compartment baghouses, if failure is indicated by a significant drop in the baghouse's pressure readings with abnormal visible emissions or the failure is indicated by an opacity violation, or if bag failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, dust traces or triboflows, then failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.1.15 Record Keeping Requirements

(a) To document compliance with Conditions D.1.1, D.1.2 and D.1.4, the Permittee shall maintain records in accordance with (1) through (5) below. Records maintained for (1) through (5) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits and/or the VOC emission limits established in Conditions D.1.1, D.1.2 and D.1.4.

(1) The amount and VOC content of each coating material and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) A log of the dates of use;

(3) The cleanup solvent usage for each month;

(4) The total VOC usage for each month; and

(5) The weight of VOCS emitted for each compliance period.

(b) To document compliance with Condition D.1.3, the Permittee shall maintain records in accordance with (1) through (3) below. Records maintained for (1) through (3) shall be taken monthly and shall be complete and sufficient to establish compliance with the HAP emission limits established in Condition D.1.3.

(1) The amount and HAP content of each resin and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) The total HAP usage for each month; and

(3) The weight of HAPs emitted for each compliance period.

(c) To document compliance with Condition D.1.10, the Permittee shall maintain a log of weekly overspray observations, daily and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan.

(d) To document compliance with Condition D.1.11, the Permittee shall maintain records of visible emission notations of the two (2) SMC manufacturing lines stack exhaust once per shift.

(e) To document compliance with Condition D.1.12, the Permittee shall maintain per shift records of the total static pressure drop during normal operation.

(f) To document compliance with Condition D.1.13, the Permittee shall maintain records of the results of the inspections required under Condition D.1.13 and the dates the vents are redirected.

(g) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.16 Reporting Requirements

A quarterly summary of the information to document compliance with Conditions D.1.1, D.1.2, D.1.3, and D.1.4 shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the “responsible official” as defined by 326 IAC 2-7-1(34).

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: Meridian Automotive Systems
Source Address: 14123 Roth Road, Grabill, Indiana 46741
Mailing Address: 14123 Roth Road, Grabill, Indiana 46741
Part 70 Permit No.: T 003-5942-00059
Facilities: Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2.
Parameter: VOC delivered to the applicators
Limit: Less than twenty-five (25) tons per twelve (12) consecutive month period, each, with compliance determined at the end of each month.

YEAR: _____

Month	VOC (tons)	VOC (tons)	VOC (tons)
	This Month	Previous 11 Months	12 Month Total

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: Meridian Automotive Systems
Source Address: 14123 Roth Road, Grabill, Indiana 46741
Mailing Address: 14123 Roth Road, Grabill, Indiana 46741
Part 70 Permit No.: T 003-5942-00059
Facilities: Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2
Parameter: Individual HAP
Limit: Less than ten (10) tons per twelve (12) consecutive month period, each, with compliance determined at the end of each month.

YEAR:

Month	Individual HAP (tons)	Individual HAP (tons)	Individual HAP (tons)
	This Month	Previous 11 Months	12 Month Total

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for a Part 70 Significant Source and Significant Permit Modifications

Source Background and Description

Source Name:	**Meridian Automotive Systems, Inc.**
Source Location:	**14123 Roth Road, Grabill, Indiana 46741-0189**
County:	**Allen**
SIC Code:	**3089**
Operation Permit No.:	**T 003-5942-00059**
Operation Permit Issuance Date:	**March 26, 2002**
Significant Source Modification No.:	**003-16292-00059**
Significant Permit Modification No.:	**003-16861-00059**
Permit Reviewer:	**Craig J. Friederich**

The Office of Air Quality (OAQ) has reviewed a modification application from Meridian Automotive Systems, Inc. relating to the reconstruction and operation of the following emission units and pollution control devices, formerly referred to as (h) in the Part 70 Operating Permit:

(h) Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, with a capacity of 12,000 pounds of SMC per hour, each, consisting of:

(1) sixteen (16) resin storage tanks, with storage capacities between 2,000 and 6,300 gallons, each,

(2) one (1) small add material handling area,

(3) one (1) SMC mix room, consisting of four (4) mixing tanks, seven (7) holding tanks, and six (6) dynamic mixers,

(4) two (2) SMC machines,

(5) one (1) SMC maturation area, and

(6) one (1) dust collection system, exhausted to Stack SV-01.

History

On November 4, 2002, Meridian Automotive Systems submitted an application to the IDEM, OAQ requesting to relocate and reconstruct the two (2) SMC manufacturing lines to their existing plant. Meridian Automotive Systems was issued a Part 70 permit on March 26, 2002.

In addition, Meridian Automotive Systems has provided more accurate emission factors for the reconstructed SMC manufacturing lines. Emissions from the Compounding Area are no longer calculated as these emissions are included in the mixing/holding operations and the SMC machines. This was verified by the source with the Composites Fabricators Association (CFA), which provides the emission factors for this operation. Also, for the mixing station, an emission factor of 0.188 pounds per ton of resin was approved in the Part 70 Operating Permit for Meridian Automotive Systems in Jackson, Ohio. The Ohio EPA approved this emission factor, which was the result of a stack test. Therefore, the IDEM, OAQ has accepted this emission factor. The potential to emit

of VOC from the reconstructed facility is still greater than twenty-five (25) tons per year.

Enforcement Issue

There are no enforcement actions pending.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (EF)
SV-01	Two (2) SMC Manufacturing Lines	To Be Determined	Not Available	19,600	Ambient

Recommendation

The staff recommends to the Commissioner that the Part 70 Significant Source Modification be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on November 4, 2002, Additional information was received on December 4, 2002.

Emission Calculations

See pages 1 of 1 of Appendix A of this document for detailed VOC emissions calculations.
PM calcs supplied by the source have been verified to be accurate. The potential to emit PM from the reconstructed SMC lines is 172.4 tons per year, total.

Potential To Emit of Modification

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U.S. EPA."

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)
PM	172.4
PM_{10}	172.4
SO_2	--
VOC	29.0
CO	--

Pollutant	Potential To Emit (tons/year)
NO_X	--

HAPs	Potential To Emit (tons/year)
Styrene	29.0
TOTAL	29.0

Justification for Modification

The Part 70 Operating Permit is being modified through a Part 70 Significant Source Modification. This modification is being performed pursuant to 326 IAC 2-7-10.5(f)(4), and 2-7-10.5(f)(6), because the modification has the potential to emit VOC greater than twenty-five (25) tons per year, the potential to emit PM and PM_{10} greater than twenty-five (25) tons per year, and the potential to emit a single HAP is greater than ten (10) tons per year. The proposed operating conditions shall be incorporated into the Part 70 Operating Permit as a Significant Permit Modification (SPM 003-16861-00059) in accordance with 326 IAC 2-7-12(d)(1). The Significant Permit Modification will give the source approval to operate the proposed emission unit.

County Attainment Status

The source is located in Allen County.

Pollutant	Status
PM_{10}	attainment
SO_2	attainment
NO_2	attainment
Ozone	attainment
CO	attainment
Lead	attainment

(a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Allen County has been designated as attainment or unclassifiable for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

(b) Allen County has been classified as attainment or unclassifiable for all remaining criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

(c) Fugitive Emissions
Since this type of operation is not one of the 28 listed source categories under 326 IAC 2-2 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive PM emissions are not counted toward determination of PSD and Emission Offset applicability.

Source Status

Existing Source PSD or Emission Offset Definition (emissions after controls, based upon 8760 hours of operation per year at rated capacity and/or as otherwise limited):

Pollutant	**Emissions** (tons/year)
PM	less than 250
PM_{10}	less than 250
SO_2	less than 100
VOC	less than 250
CO	less than 100
NO_X	less than 100

(a) This existing source is not a major stationary source because no attainment regulated pollutant is emitted at a rate of 250 tons per year or more, and it is not one of the 28 listed source categories.

(b) These emissions are based upon Technical Support Document for the Part 70 Operating Permit (T 003-5942-00059).

Potential to Emit of Modification After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 source modification.

	Potential to Emit (tons/year)						
Process/facility	**PM**	**PM_{10}**	**SO_2**	**VOC**	**CO**	**NO_X**	**HAPs**
Proposed Modification	1.72	1.72	--	less than 25.0	--	--	styrene less than 20.0 (less than 10.0 per each line)
PSD Threshold Level	250	250	250	250	250	250	-

This modification to an existing minor stationary source is not major because the emission increase is less than the PSD threshold levels. Therefore, pursuant to 326 IAC 2-2, and 40 CFR 52.21, the PSD requirements do not apply.

Federal Rule Applicability

(a) The sixteen (16) resin storage tanks associated with the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, are not subject to the requirements of 40 CFR 60.116b, Subpart Kb, because these tanks have storage capacities of less than forty (40) cubic meters.

(b) There are still no National Emission Standards for Hazardous Air Pollutants (NESHAPs) (326 IAC 14, 326 IAC 20, 40 CFR 61 and 40 CFR Part 63) applicable to this proposed modification.

(c) The requirements of Section 112(j) of the Clean Air Act (40 CFR Part 63.50 through 63.56) are applicable to this source because the source is a major source of hazardous air pollutant (HAP) emissions (i.e., the source has the potential to emit 10 tons per year or greater of a single HAP or 25 tons per year or greater of a combination of HAPs) and the source is constructing one or more units that belong to one or more source categories affected by the Section 112(j) Maximum Achievable Control Technology (MACT) Hammer date of May 15, 2002. This rule requires the Permittee to:

(1) Submit a Part 1 MACT Application within thirty (30) days of startup of the new emission units; and

(2) Submit a Part 2 MACT Application within twenty-four (24) months after the Permittee submitted a Part 1 MACT Application.

Note that on April 25, 2002, Earthjustice filed a lawsuit against the US EPA regarding the April 5, 2002 revisions to the rules implementing Section 112(j) of the Clean Air Act. In particular, Earthjustice is challenging the US EPA's 24-month period between the Part 1 and Part 2 MACT Application due dates. Therefore, the Part 2 MACT Application due date may be changed as a result of the suit. Based on a proposed settlement published in the August 26, 2002 *Federal Register*, it appears that US EPA intends to revise the rule so that the due date of the Part 2 MACT Application will be within twelve (12) months after the Permittee submitted the Part 1 MACT application.

(3) Pursuant to 40 CFR 63.56(a), the Permittee shall comply with an applicable promulgated MACT standard in accordance with the schedule provided in the MACT standard if the MACT standard is promulgated prior to the Part 2 MACT Application deadline or prior to the issuance of permit with a case-by-case Section 112(j) MACT determination. The MACT requirements include the applicable General Provisions requirements of 40 CFR 63, Subpart A. Pursuant to 40 CFR 63.9(b), the Permittee shall submit an initial notification not later than 120 days after the effective date of the MACT, unless the MACT specifies otherwise. The MACT and the General Provisions of 40 CFR 63, Subpart A will become new applicable requirements, as defined by 326 IAC 2-7-1(6), that must be incorporated into the Part 70 permit. After IDEM, OAQ receives the initial notification, any of the following will occur:

(A) If three or more years remain on the Part 70 permit term at the time the MACT is promulgated, IDEM, OAQ will notify the source that IDEM, OAQ

will reopen the permit to include the MACT requirements pursuant to 326 IAC 2-7-9; or

(B) If less than three years remain on the Part 70 permit term at the time the MACT is promulgated, the Permittee must include information regarding the MACT in the renewal application, including the information required in 326 IAC 2-7-4(c); or

(C) The Permittee may submit an application for a significant permit modification under 326 IAC 2-7-12 to incorporate the MACT requirements. The application may include information regarding which portions of the MACT are applicable to the emission units at the source and which compliance options will be followed.

State Rule Applicability - Individual Facilities

326 IAC 2-2 (Prevention of Significant Deterioration (PSD))

In order to retain its minor source status pursuant to 326 IAC 2-2 (PSD), Meridian Automotive Systems, which is not one of the 28 major source categories, has agreed to limit the source-wide potential to emit VOC to less than two-hundred fifty (250) tons per twelve (12) consecutive month period, including insignificant activities. The source has indicated that they will be in compliance with the less than two-hundred fifty (250) ton limit after the reconstruction and relocation of the two (2) SMC manufacturing lines.

326 IAC 2-4.1-1 (New Source Toxics Control)

The source has agreed to limit the throughput of SMC from each reconstructed SMC manufacturing line such that the potential to emit of styrene is less than ten (10) tons per year for each line. These lines are separate production units and independent of each other. Therefore, the requirements of 326 IAC 2-4.1-1 (New Source Toxics Control) are not applicable.

326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes)

The particulate from the two (2) SMC manufacturing lines shall not exceed 21.7 pounds per hour when operating at a process weight rate of twelve (12) tons per hour, total. This limitation is based upon the following:

Interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour and
P = process weight rate in tons per hour

The dust collection system shall be in operation at all times the two (2) SMC manufacturing lines are in operation, in order to comply with this limit.

326 IAC 8-1-6 (New Facilities; General Reduction Requirements)

The input of SMC to the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, shall be limited such that the potential to emit VOC is less than twenty-five (25) tons per year, each, to make the requirements of 326 IAC 8-1-6 not applicable.

Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

The two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, have applicable compliance monitoring conditions as specified below:

(1) Visible emissions notations of the two (2) SMC manufacturing lines stack exhaust, identified as SV-01, shall be performed once per shift during normal daylight operations when exhausting to the atmosphere. A trained employee will record whether emissions are normal or abnormal. For processes operated continuously "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time. In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions. A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process. The Compliance Response Plan for these units shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(2) The Permittee shall record the total static pressure drop across the dust collector used in conjunction with the two (2) SMC manufacturing lines, at least once per shift when the two (2) SMC manufacturing lines are in operation when venting to the atmosphere. When for any one reading, the pressure drop across the dust collector is outside the normal range of 8.0 and 12.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Compliance Response Plan - Preparation, Implementation, Records, and Reports. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(3) An inspection shall be performed within the last month of each calender quarter of all bags controlling the two (2) SMC manufacturing lines. All defective bags shall be replaced.

(4) In the event that bag failure has been observed:

(a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if there are no visible emissions or if the event qualifies as an emergency and the Permittee satisfies the emergency provisions of this permit (Section B- Emergency Provisions). Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion.

(b) For single compartment baghouses, failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).c

Proposed Changes

The permit language is changed to read as follows (deleted language appears as ~~strikeouts~~, new language appears in **bold**):

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

This stationary source consists of the following emission units and pollution control devices:

Compounding and Reinforced Molding Operations

~~(h) Two (2) polyester products raw materials compounding lines, known as SMC-MFG 1 and SMC-MFG3, installed in 1986, consisting of:~~

~~(1) sixteen (16) resin storage tanks, with storage capacities between 2,000 and 6,300 gallons, each,~~

~~(2) one (1) mixing station,~~

~~(3) one (1) SMC machine,~~

~~(4) one (1) compounding area,~~

~~(5) one (1) SMC holding area, and~~

~~(6) one (1) material handling and mixing area, equipped with a baghouse for particulate control, capacity: 6200 pounds of fiberglass reinforced plastic parts per hour, total.~~

(h) Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, with a capacity of 12,000 pounds of SMC per hour, each, consisting of:

(1) sixteen (16) resin storage tanks, with storage capacities between 2,000 and 6,300 gallons, each,

(2) one (1) small add material handling area,

(3) one (1) SMC mix room, consisting of four (4) mixing tanks, seven (7) holding tanks, and six (6) dynamic mixers,

(4) two (2) SMC machines,

(5) one (1) SMC maturation area, and

(6) one (1) dust collection system, exhausted to Stack SV-01.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]: Painting and Compounding Operations

~~(h) Two (2) polyester products raw materials compounding lines, known as SMC-MFG 1 and SMC-MFG3, installed in 1986, consisting of:~~

~~(1) sixteen (16) resin storage tanks, with storage capacities between 2,000 and 6,300 gallons, each,~~

~~(2) one (1) mixing station,~~

~~(3) one (1) SMC machine,~~

~~(4) one (1) compounding area,~~

~~(5) one (1) SMC holding area, and~~

~~(6) one (1) material handling and mixing area, equipped with a baghouse for particulate control, capacity: 6200 pounds of fiberglass reinforced plastic parts per hour, total~~

(h) Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, with a capacity of 12,000 pounds of SMC per hour, each, consisting of:

(1) sixteen (16) resin storage tanks, with storage capacities between 2,000 and 6,300 gallons, each,

(2) one (1) small add material handling area,

(3) one (1) SMC mix room, consisting of four (4) mixing tanks, seven (7) holding tanks, and six (6) dynamic mixers,

(4) two (2) SMC machines,

(5) one (1) SMC maturation area, and

(6) one (1) dust collection system, exhausted to Stack SV-01.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.1.1 Volatile Organic Compounds [326 IAC 8-1-6]

(a) Pursuant to CP 003-3105-00059, issued on September 7, 1993, Best Available Control Technology (BACT) for the one (1) prime spray booth, identified as SB-A, has been determined to be:

(1) The method of application shall be performed with high-volume-low pressure (HVLP) spray applicators;

(2) The use of lower VOC paints (less than 3.5 lb VOC per gallon of coating excluding water).

(b) Pursuant to 326 IAC 8-1-6, Best Available Control Technology (BACT) for the two (2) spray booths, identified as SB-C24 and SB-C32, has been determined to be:

(1) The VOC input delivered to the applicators including cleanup solvents shall be limited to a total of no more than sixty-six (66) tons per twelve (12) consecutive month period;

(2) The method of application at the spray booths shall be done with electrostatic applicators;

(3) The use of low (25-40%) and medium (41-50%) solids content coatings, and

(4) The following management and work practices shall apply:

(i) Operator training course.

(ii) Spray gun cleaning.

(iii) The cleanup solvent containers used to transport solvent from drums to work stations be closed containers having soft gasketed closures.

(iv) The application equipment operators shall be instructed and trained on the methods and practices utilized to minimize spillage on the floor and over application.

(v) Storage containers used to store VOC and/or HAPs containing materials shall be kept covered when not in use.

(vi) Cleanup solvents will be reused in the process as much as possible to reduce hazardous waste and the related impact on the environment. D.1.2 PSD Minor Limit [326 IAC 2-2] [40 CFR 52.21]

D.1.2 PSD Minor Limit [326 IAC 2-2] [40 CFR 52.21]

(a) The VOC applied to the applicators from the four (4) spray booths (SB-A, SB-B, SB-C24 and SB-C32), the four (4) touch-up booths (TU-A, TU-B ,TU-FNSH and TU-SPLASH), ~~the two (2) polyester products raw materials compounding lines (SMC-MFG1 and SMC-MFG3)~~, **the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2,** the eighteen (18) Reinforced Plastic Molding Presses, installed between 1968 and 1998 (PR-0206, PR-0213, PR-0419, PR-0420, PR-0617, PR-0618, PRV-0648, PRV-0849, PRV-1026, PRV-1222, PRV -1223, PR-1250, PRV-1558, PRV-2024, PRV-2025, PRV-2059, PRV-4470, PR-

1571), and the two (2) 2500 ton Reinforced Plastic Molding Presses, constructed in 2000 (PR-2566 and PR-2567) shall be limited such that the total VOC emissions are no more than 246.1 tons per twelve (12) consecutive month period.

The SMC closed molding operations performed by the eighteen (18) Reinforced Plastic Molding Presses shall use the standard US EPA AP-42 three percent (3.0%) VOC emission factor to determine compliance with the VOC emission limit.

(b) The VOC emission limit expressed in Condition D.1.2 (a) combined with the full potential to emit VOC from the two (2) boilers and the limited actual emissions not to exceed 3.23 tons per year from other insignificant activities shall limit the total source-wide VOC emissions to less than two hundred and fifty (250) tons per twelve (12) consecutive month period. Compliance with this limit makes the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration (PSD)) and 40 CFR 52.21 not applicable.

D.1.3 Hazardous Air Pollutants [326 IAC 2-4.1-1]

(a) The input of SMC to the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, shall be limited such that the worst case potential to emit a single HAP (styrene) is less than ten (10) tons per twelve (12) consecutive month period, each, with compliance determined at the end of each month, to make the requirements of 326 IAC 2-4.1-1 not applicable.

(b) For the purposes of determining the throughput limit, the following HAP emission factors will be used for the processes located at the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2:

(1) Resin Storage Tanks: 0.059 lbs/ton of SMC produced.

(2) Mixing Station: 0.19 lbs/ton of SMC produced.

(3) SMC Machine: 0.30 lbs/ton of SMC produced.

(4) SMC Holding Area: 0.0018 lbs/ton SMC produced.

D.1.~~3~~**4** Volatile Organic Compounds [326 IAC 8-1-6]

~~The input of VOC to the two (2) polyester products raw materials compounding lines, known as SMC-MFG 1 and SMC-MFG3, installed in 1986, is limited such that VOC emissions shall be less than twenty-five (25) tons per year, each, to make the requirements of 326 IAC 8-1-6 not applicable~~.

(a) The input of SMC to the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2, reconstructed and relocated in 2003, shall be limited such that the potential to emit VOC is less than twenty-five (25) tons per twelve (12) consecutive month period, each, with compliance determined at the end of each month, to make the requirements of 326 IAC 8-1-6 not applicable.

(b) For the purposes of determining the throughput limit, the following VOC emission factors will be used for the processes located at the two (2) SMC manufacturing lines, known as Machine 1 and Machine 2:

(1) Resin Storage Tanks: 0.059 lbs/ton of SMC produced.

(2) Mixing Station: 0.19 lbs/ton of SMC produced.

(3) SMC Machine: 0.30 lbs/ton of SMC produced.

(4) SMC Holding Area: 0.0018 lbs/ton SMC produced.

D.1.~~4~~**5** Particulate Matter (PM) [326 IAC 6-3-2]

(a) The PM from each spray booth (the one (1) prime spray booth, known as SB-A, the one (1) spray booth, known as SB-B, the one (1) spray booth, known as SB-C24, the one (1) spray booth, known as SB-C32, the one (1) prime touch up, known as TU-A, the one (1) prime touch up, known as TU-B, and the one (1) touch up, known as TU-FNSH) shall not exceed the pound per hour emission rate established as E in the following formula:

Interpolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

(b) Pursuant to 326 IAC 6-3-2 ~~(Process Operations)~~ **(Particulate Emission Limitations for Manufacturing Processes)**, the allowable particulate ~~matter~~ (PM) emission rate from ~~two (2) polyester products raw materials compounding lines, known as SMC-MFG 1 and SMC-MFG3~~, **two (2) SMC manufacturing lines, known as Machine 1 and Machine 2**, shall not exceed ~~8.75~~ **21.7** pounds per hour when operating at a **total** process weight rate of ~~6,200~~ **24,000** pounds per hour.

The pounds per hour limitation was calculated with the following equation:

Interpolation and extrapolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

D.1.~~5~~**6** Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities and any control devices.

Compliance Determination Requirements

D.1.~~6~~**7** Volatile Organic Compounds (VOC) **and Hazardous Air Pollutants (HAPs)**

Compliance with the VOC **and HAP** content and usage limitations contained in Conditions D.1.1, D.1.2 ~~and~~ D.1.3, **and D.1.4** shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) using formulation data supplied by the coating manufacturer for the painting operations, and the SMC usage and emission factors for the SMC operations and the ~~polyester products raw materials lines~~ **SMC manufacturing lines.**

D.1.~~7~~**8** VOC **and HAPs** Emissions

Compliance with Conditions D.1.1, D.1.2, ~~and,~~ D.1.3 **and D.1.4** shall be demonstrated within 30 days of the end of each month based on the total volatile organic compound and hazardous air pollutant usage for the twelve (12) month period.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.1.~~8~~**9** Particulate Matter (PM)

(a) The dry filters for PM control shall be in operation at all times when the four (4) spray booths (SB-A, SB-B, SB-C24 and SB-C32) and three (3) touch up booths (TU-A, TU-B and TU-FNSH) are in operation.

(b) The dust collection system for PM control shall be in operation at all times when the two (2) SMC manufacturing lines are in operation.

D.1.~~9~~**10** Monitoring

(a) Daily inspections shall be performed to verify the placement, integrity and particle loading of the filters. To monitor the performance of the dry filters, weekly observations shall be made of the overspray from the surface coating booth stacks B, C, D, E, G, H, I, J, K, L, and P while one or more of the booths are in operation. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(b) Monthly inspections shall be performed of the coating emissions from the stack and the presence of overspray on the rooftops and the nearby ground. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when a noticeable change in overspray emission, or evidence of overspray emission is observed. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(c) Additional inspections and preventive measures shall be performed as prescribed in the Preventive Maintenance Plan.

D.1.11 Visible Emissions Notations

(a) Visible emission notations of the two (2) SMC manufacturing lines stack exhaust shall be performed once per shift during normal daylight operations when exhausting to the atmosphere. A trained employee shall record whether emissions are normal or abnormal.

(b) For processes operated continuously, "normal" means those conditions prevailing, or expected to prevail, eighty percent (80%) of the time the process is in operation, not counting startup or shut down time.

(c) In the case of batch or discontinuous operations, readings shall be taken during that part of the operation that would normally be expected to cause the greatest emissions.

(d) A trained employee is an employee who has worked at the plant at least one (1) month and has been trained in the appearance and characteristics of normal visible emissions for that specific process.

(e) The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when an abnormal emission is observed. Failure to

take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

D.1.12 Parametric Monitoring

The Permittee shall record the total static pressure drop across the dust collector used in conjunction with the two (2) SMC manufacturing lines, at least once per shift when the two (2) SMC manufacturing lines are in operation when venting to the atmosphere. When for any one reading, the pressure drop across the dust collector is outside the normal range of 8.0 and 12.0 inches of water or a range established during the latest stack test, the Permittee shall take reasonable response steps in accordance with Section C- Compliance Response Plan - Preparation, Implementation, Records, and Reports. A pressure reading that is outside the above mentioned range is not a deviation from this permit. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

The instrument used for determining the pressure shall comply with Section C - Pressure Gauge and Other Instrument Specifications, of this permit, shall be subject to approval by IDEM, OAQ, and shall be calibrated at least once every six (6) months.

D.1.13 Baghouse Inspections

An inspection shall be performed within the last month of each calendar quarter of all bags controlling the two (2) SMC manufacturing lines. All defective bags shall be replaced.

D.1.14 Broken or Failed Bag Detection

In the event that bag failure has been observed:

(a) For multi-compartment units, the affected compartments will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if there are no visible emissions or if the event qualifies as an emergency and the Permittee satisfies the emergency provisions of this permit (Section B- Emergency Provisions). Within eight (8) business hours of the determination of failure, response steps according to the timetable described in the Compliance Response Plan shall be initiated. For any failure with corresponding response steps and timetable not described in the Compliance Response Plan, response steps shall be devised within eight (8) business hours of discovery of the failure and shall include a timetable for completion. Failure to take response steps in accordance with Section C - Compliance Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a violation of this permit.

(b) For single compartment baghouses, if failure is indicated by a significant drop in the baghouse's pressure readings with abnormal visible emissions or the failure is indicated by an opacity violation, or if bag failure is determined by other means, such as gas temperatures, flow rates, air infiltration, leaks, dust traces or triboflows, then failed units and the associated process will be shut down immediately until the failed units have been repaired or replaced. Operations may continue only if the event qualifies as an emergency and the Permittee satisfies the requirements of the emergency provisions of this permit (Section B - Emergency Provisions).

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.1.1~~0~~**5** Record Keeping Requirements

(a) To document compliance with Conditions D.1.1, D.1.2 and D.1.~~3~~**4**, the Permittee shall maintain records in accordance with (1) through (5) below. Records maintained for (1) through (5) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits and/or the VOC emission limits established in Conditions D.1.1, D.1.2 and D.1.~~3~~**4**.

(1) The amount and VOC content of each coating material and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) A log of the dates of use;

(3) The cleanup solvent usage for each month;

(4) The total VOC usage for each month; and

(5) The weight of VOCS emitted for each compliance period.

(b) To document compliance with Condition D.1.3, the Permittee shall maintain records in accordance with (1) through (3) below. Records maintained for (1) through (3) shall be taken monthly and shall be complete and sufficient to establish compliance with the HAP emission limits established in Condition D.1.3.

(1) The amount and HAP content of each resin and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) The total HAP usage for each month; and

(3) The weight of HAPs emitted for each compliance period.

(~~b~~**c**) To document compliance with Condition D.1.~~9~~ **10,** the Permittee shall maintain a log of weekly overspray observations, daily and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan.

(d) To document compliance with Condition D.1.11, the Permittee shall maintain records of visible emission notations of the two (2) SMC manufacturing lines stack exhaust once per shift.

(e) To document compliance with Condition D.1.12, the Permittee shall maintain per shift records of the total static pressure drop during normal operation.

(f) To document compliance with Condition D.1.13, the Permittee shall maintain records of the results of the inspections required under Condition D.1.13 and the dates the vents are redirected.

(~~c~~**g**) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.1~~1~~**6** Reporting Requirements

A quarterly summary of the information to document compliance with Conditions D.1.1, D.1.2, ~~and~~ D.1.3, **and D.1.4** shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported. The report submitted by the Permittee does require the certification by the "responsible official" as defined by 326 IAC 2-7-1(34).

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: Meridian Automotive Systems
Source Address: 14123 Roth Road, Grabill, Indiana 46741
Mailing Address: 14123 Roth Road, Grabill, Indiana 46741
Part 70 Permit No.: T 003-5942-00059
Facilities: ~~Two (2) polyester products raw materials compounding lines, SMC-MFG1 and SMC-MFG3.~~ **Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2.**
Parameter: VOC delivered to the applicators
Limit: Less than twenty-five (25) tons per twelve (12) consecutive month period, each, **with compliance determined at the end of each month.**

YEAR: _____

Month	VOC (tons)	VOC (tons)	VOC (tons)
	This Month	Previous 11 Months	12 Month Total

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on:

Submitted by:

Title/Position:

Signature:

Date:

Phone:

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: **Meridian Automotive Systems**
Source Address: **14123 Roth Road, Grabill, Indiana 46741**
Mailing Address: **14123 Roth Road, Grabill, Indiana 46741**
Part 70 Permit No.: **T 003-5942-00059**
Facilities: **Two (2) SMC manufacturing lines, known as Machine 1 and Machine 2**
Parameter: **Individual HAP**
Limit: **Less than ten (10) tons per twelve (12) consecutive month period, each, with compliance determined at the end of each month.**

YEAR: _____

Month	Individual HAP (tons)	Individual HAP (tons)	Individual HAP (tons)
	This Month	Previous 11 Months	12 Month Total

9 **No deviation occurred in this month.**

9 **Deviation/s occurred in this month.**

Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

Conclusion

The construction and operation of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Source Modification No. 003-16292-00059 and Significant Permit Modification No. 003-16861-00059.